

MINUTES OF REGULAR MEETING
ILLINOIS GAMING BOARD
FEBRUARY 25, 1993
CHICAGO, ILLINOIS

A Regular Meeting of the Illinois Gaming Board was held on February 25, 1993. The meeting was held at 1:00 P.M. in Room C-500 of the State of Illinois Building, 160 North LaSalle, Chicago, Illinois. Notice was duly and timely given to each Board Member and to the general public in compliance with the Illinois Open Meetings Act, Illinois Revised Statutes 102, Paragraph 42.02.

The following Board Members were present: William J. Kunkle, Jr., Chairman and Board Members J. Thomas Johnson, Gayl S. Pyatt and Robert F. Vickrey. Member William J. Chamblin was absent.

In addition, Administrator Morton E. Friedman, Deputy Administrators Marcy L. Wolf, Joseph McQuaid and J. Thomas Hutchison, Assistant Chief Legal Counsel Susan Gouinlock, members of the media and general public were in attendance.

The meeting was called to order by Chairman William J. Kunkle, Jr. at 1:03 P.M. The Chairman welcomed new Member Gayl S. Pyatt to the Board.

The first order of business was the receipt of status reports from preliminarily suitable applicants. The Chairman recognized Casino Queen Inc.

Mr. Jim Enlund appeared on behalf of the applicant and told the Board that Casino Queen Inc. anticipated a delay in commencing operations to late April or early May due to excessive rainfall delaying construction of the vessel. He noted that the dockside facilities would be open during the month of April. Mr. Enlund also announced that the enterprise will fund an economic development foundation for the benefit of East St. Louis in the amount of \$2.5 million over five years beginning in late 1993. Under questioning, Mr. Enlund stated that the enterprise would hire 50% of its employees from the City of East St. Louis. He also provided updated information concerning the metro-link light rail system.

The next presenter was Des Plaines Development Limited Partnership. Mr. Tim Wilmott appeared on behalf of the applicant and told the Board the enterprise anticipated commencing operations in May, 1993. He said the docking facility would be ready by the end of April, the parking deck would be completed in June and that the second vessel would be delivered in late 1993. He noted that the second vessel would be owned by Harrah's Illinois and leased to the partnership.

The next presenter was Hollywood Casino - Aurora Inc. Mr. William Weidner appeared on behalf of applicant and told the Board that vessel construction was close to being on schedule. He stated that the enterprise anticipated operations commencing in June, 1993. He noted that their dealer's school had begun training employees. Under questioning, Mr. Weidner reported that the New York Street bridge had been reopened to general traffic. Member Johnson asked questions concerning passages written in the book, Temples of Chance, and requested the applicant submit any and all information concerning the management of the Aruba Concord. Mr. Roberto Rivera-Soto, attorney for the applicant responded that the information requested had previously been submitted to the staff for review and stated that the allegations presented in the book were groundless.

The next presenter was Southern Illinois Casino Cruises, Incorporated. Mr. Michael Ficaro, attorney for the applicant, appeared and told the Board that Player's Riverboat Casino had commenced operations under a Temporary Operating Permit issued February 22, 1993. He noted that first day attendance was 1400 passengers. The Chairman recognized the Administrator.

Mr. Friedman reported to the Board that pursuant to the Board's authorization, staff had conducted a final practice gaming excursion. He stated that the excursion had been successfully completed and a temporary operating permit had been issued. He requested the Board approve final licensing.

Mr. Johnson moved that the application received from Southern Illinois Casino Cruises, Incorporated be approved as the holder of an Owner's License. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned a change in casino management of Greater Peoria Riverboat Corporation. The Administrator recommended the Board approve the management structure change. Mr. Thomas Moore, attorney for the licensee, appeared and provided the Board with details concerning the termination of a management contract with Casino Cruises Incorporated and the proposed management structure under which the investor/owners would manage casino operations.

Ms. Pyatt moved that the request received from Greater Peoria Riverboat Corporation to restructure the management of casino operations be approved as submitted. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned a discussion of the calculation of the statutory 1200 gaming participant limitation contained in the Riverboat Gambling Act. Administrator Friedman told the Board that the question of defining the term "1200 gaming participants" had not presented itself to be problematic because none of the riverboats in operation had reached 1200 passenger capacity. Kevin Larson of Empress River Casino Corporation appeared before the Board and urged that a liberal interpretation be adopted. The Board took the matter under advisement.

The next order of business concerned establishing new guidelines for verifying minimum insurance coverage as required by the Act. The Administrator told the Board that staff wished to use new guidelines for evaluating compliance with minimum requirements, with exceptions being brought to the Board on a case by case basis. Deputy Administrator Tom Hutchison told the Board that most licensees met most of the new guidelines. He noted that the licensees had stated that what is acceptable as a minimum now could change since the cost of coverage could change dramatically from time to time. Some owners expressed concern that excess coverage could lead to large claims.

Mr. Johnson moved that staff continue to review the insurance coverage of licensees for adequacy on a case by case basis applying the new standards and bring exceptions to the standards to the attention of the Board for review and approval. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order business was to establish the schedule of Regular Meetings for calendar 1993. The Board approved the following dates:

May 3, 1993, 10:00 A.M.
July 20, 1993, 10:00 A.M.
October 19, 1993, 10:00 A.M.

The next order of business concerned licensing. The Administrator suggested the Board retire to Closed Session to discuss various license applications, to review Minutes of previous meetings of the Board and to discuss pending litigation.

Ms. Pyatt moved that pursuant to Illinois Revised Statutes, Chapter 102, Section 42 (g), (h) and (k) that the Board retire to Closed Session. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote and the Board retired to Closed Session at 1:59 P.M.

The Illinois Gaming Board resumed its Open Session at 3:49 P.M. Members Johnson, Vickrey and Chairman Kunkle were present constituting a quorum.

The first order of business concerned recommendations received from the Administrative Law Judge.

Mr. Vickrey moved to accept the recommendations and findings of fact of the Administrative Law Judge with respect to the Occupational License applications received from David Dawson (request to withdraw for hearing), Kimberly Cox (denial) and Patricia Gomez (denial). Mr. Johnson seconded the motion. The Chairman called for the yeas and nays.

The motion was approved by voice vote.

The next order of business concerned approval of Suppliers applications.

Mr. Johnson moved that the application received from Bicycle Acquisition Corporation be approved as a Supplier of gaming equipment and supplies. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

Mr. Vickrey moved that the application received from Nevada Coin Mart be approved as a Supplier of gaming equipment and supplies. Mr. Johnson seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

Mr. Johnson moved that the application received from Casino Tokens, Inc. to be a Supplier of gaming equipment and supplies be denied. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote, the application was denied.

The next order of business concerned Investor applicants.

Mr. Johnson moved that the application received from Mr. Franklin Toti to become an investor in Casino Queen, Inc. be approved. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned Occupational Licenses.

Mr. Johnson moved that the Board adopt the staff recommendations relative to applications for Occupational License Level 1 received from:

Douglas Cooper
George Desatnick
Michael Karr
Richard Knight
Charles Hickey
Ronald Lenczycki
Paulette Miller
Kathleen Quartana
Rosanne Ruth
Timothy Wilmott.

Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

Mr. Johnson moved that the staff recommendations relative to approving and denying applications received for Occupational License Levels 2 and 3 be approved as submitted. Mr. Vickrey seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned Supplier License renewals.

Mr. Vickrey moved that renewals of Suppliers Licenses for Green Duck, Inc., Bud Jones Company and Geo. C. Matteson Company, Inc. be approved. Mr. Johnson seconded the motion. The Chairman called for the yeas and nays.

The motion was approved unanimously by voice vote.

The next order of business concerned minutes of previous meetings of the Board. The Chairman noted that the Minutes of Closed Sessions held October 15, 1992 and October 27, 1992 were approved by the Board as submitted during Closed Session.

Mr. Johnson moved that the Minutes of the Regular Meeting of October 15, 1992 be approved as submitted. Mr. Vickrey seconded the motion. Without objection the minutes were approved.

Mr. Johnson moved that the Minutes of the Special Meeting of October 27, 1992 be approved as submitted. Mr. Vickrey seconded the motion. Without objection the minutes were approved.

The next order of business concerned New Business. The Chairman recognized Mr. Johnson.

Mr. Johnson requested the staff prepare a report for the Board's next meeting to review the use of dockside gaming by licensees.

There being no further business to come before the Board, Mr. Vickrey moved the Board stand adjourned. Mr. Johnson seconded the motion.

Without objection, the Board adjourned at 3:55 P.M.

Respectfully submitted

James A. Nelson
Secretary of the Board

